

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF MOUNTAIN WATER)	
DISTRICT TO CHANGE THE SERVICE)	CASE NO.
CONNECTION FEES)	90-095

O R D E R

On April 12, 1990, Mountain Water District ("Mountain") filed revised tariff sheets with the Commission proposing to increase its service connection fee to \$425 for a 5/8 x 3/4 inch meter and to \$500 for a 1 inch meter. In its filing, Mountain requested a deviation from the requirements of 807 KAR 5:011, Section 10(1)(b-d) and (2), on the grounds that the meter connection fee is a revenue-neutral charge which allows the district to merely "break even" by recovering actual costs incurred.

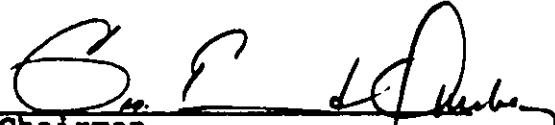
807 KAR 5:011, Section 10, defines non-recurring charges as charges "intended to be limited in nature and to recover the specific cost of the activity." The regulation allows a utility to seek a rate revision for non-recurring charges outside a general rate proceeding but requires the information contained in subsections (1)-(3) to be provided with such a filing. Inasmuch as the regulation defines non-recurring charges as revenue-neutral yet mandates the filing of the information, its clear intent is to require the information despite the fact that the charges are

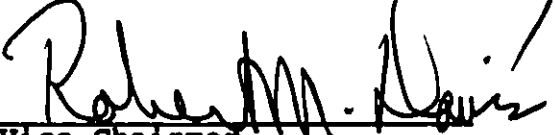
revenue-neutral. Therefore, the Commission finds that Mountain's request to deviate from the requirements of 807 KAR 5:011, Section 10(1)(b-d) and (2), should be denied.


IT IS THEREFORE ORDERED that Mountain's request for a deviation from the requirements of 807 KAR 5:011, Section 10(1)(b-d), be and it hereby is denied.

Done at Frankfort, Kentucky, this 21st day of May, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director